# Funding the Future

# Keeping an open mind on Brexit

Published: January 13, 2026, 12:54 am

In between discussing pay caps yesterday I also spent some time discussing Brexit. I heard a fascinating range of opinion. Some was resigned. Some bullish. And some was fascinating. The purpose of this blog is to discuss one of the latter.

The proponent of the idea in question (I shall not name them: Chatham House rules applied) suggested Brexit will never happen. That is not because the UK will not try to leave but will instead be because the EU will, as a result of election results in France, Germany and the Netherlands this year, realise that it has no choice but reconsider the four fundamental freedoms - the free movements of labour, goods, services and capital - on which the EU is built. The argument made was that the commitment of those countries to these principles is only as deep as their electorates permit, and even if the far right win in none of those countries it will be such a close run thing that free movements, starting with labour, will all be in the melting pot for renegotiation well before the time that the UK will have served out its notice.

I admit I am not sure if this is credible or not. But as an alternative, another theory on why Brexit may not happen that was that we will have the next full-blown economic crisis by 2019 and that will so blow the EU off track that the four fundamental freedoms will be under review because they underpin a failed model of globalisation. I think that more likely.

What I think is necessary is an open mind. I happen to think that it's the job of Labour to now talk about what could be done from 2020 onwards if the government delivers hard Brexit, which is the only option left on the table now it is clear that migration is its priority. But I also think that imagining a world where the EU remains open to much broader negotiation because it realises that free movement of capital, in particular, has been deeply destructive, is important as well. The path through the next two years may be far from obvious.